



Public Service Commission of Wisconsin

Eric Callisto, Chairperson
Mark Meyer, Commissioner
Lauren Azar, Commissioner

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Public Service Commission of Wisconsin
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VIA ELECTRONIC MAIL

May 7, 2009

Scott R. Smith, Director, Regulatory Relations
Wisconsin Power and Light Company
PO Box 77007
Madison, Wisconsin 53707-1007

Mr. Roman Draba, Vice President Regulatory Affairs and Policy
Wisconsin Electric Power Company
231 West Michigan Street
Milwaukee, Wisconsin 53203

Re: Application of Wisconsin Power and Light Company and
Wisconsin Electric Power Company for a Certificate of Authority
to Install a Selective Catalytic Reduction System for Nitrogen
Oxide Removal on Unit 5 at the Edgewater Generating Station,
Sheboygan County, Wisconsin

5-CE-137

Dear Messrs Smith and Draba:

Public Service Commission (Commission) staff has the following data request regarding Wisconsin Power and Light Company's and Wisconsin Electric Power Company's applications in the docket listed above:

04.01 Given recent EPA action on the Endangerment Finding regarding CO₂ as a pollutant, as well as the activity in the Congress on proposed legislation to place a cap on CO₂ emissions, there is a significant likelihood that absolute CO₂ emission reductions will be required on a unit, facility, or fleet basis. Prepare and submit an analysis addressing the following:

If CO₂ emissions must be reduced by 2025 by up to 30 percent from a 2005 fleet CO₂ emissions baseline, what assurance can you provide to the Commission that:

- a. The investment in proposed pollution controls will be cost effective, and;
- b. That the unit(s) will be in use long enough to assure that the investment will be both cost effective and not become a stranded investment.

The analysis need not use EGEAS, but it needs to quantify how the proposed construction is likely to be cost effective.

Messrs Smith and Draba
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Please post your responses to this request to the Commission's Electronic Regulatory Filing (ERF) system. If you have any questions regarding this request, please contact me at (608) 266-0478.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Lepinski". The signature is fluid and cursive, with the first name "Jim" being more prominent than the last name "Lepinski".

Jim Lepinski, P.E.
Docket Coordinator
Gas and Energy Division

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